

**Dr. Ernst Berndt**

On behalf of both the Direct Purchaser Plaintiffs and the Plaintiff States, Dr. Ernst Berndt, Professor Emeritus in Applied Economics at MIT, opines on the pharmaceutical market, the development of the state drug product selection laws, the development and history of the Hatch-Waxman Act and the FDA's regulation of brand and generic drugs, and the effects on the market caused by Reckitt's challenged conduct. Based on decades of study of all levels of the pharmaceutical industry and his analysis of Reckitt's conduct, Dr. Berndt will testify about how Reckitt's hard switch activities in favor of Suboxone film impeded effective competition from generic tablets through disruption of the AB-rated substitution mechanism and exploitation of the price disconnect between the doctor, the patient, and the selection of prescription drugs. Dr. Berndt analyzes each aspect of Reckitt's interrelated hard switch scheme, including Reckitt's economically irrational Suboxone tablet price increases, its withdrawal statements, and its disparagement of the tablets, and opines on the effect that conduct together had on the pharmaceutical market. On rebuttal, Dr. Berndt responds to the opinions of Reckitt's economist Dr. Normann regarding the anticompetitive effects caused by Reckitt's scheme, as well as to opinions of Dr. Curtis concerning the surveys her company performed on behalf of Reckitt, noting various flaws in her methodology and interpretations. Dr. Berndt also responds to the opinions of Aquestive's expert, Dr. Ordoover, regarding Monosol's participation in the scheme. Dr. Berndt's opening report is 100 pages, and his rebuttal report is 62 pages.